

CITY OF SHEBOYGAN

# Operating Policies and Procedures

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## Community Development Block Grant Program



The purpose of this document is to describe all the program policies, guidelines and procedures used in administration of the City of Sheboygan's Community Development Block Grant (CDBG) entitlement program. The CDBG program is a flexible program that provides communities with resources to address a wide range of unique community development needs.

## **Introduction**

The Department of City Development (DCD) has been designated as the city agency to administer the U.S. Department of Housing and Urban Development Community Development Block Grant (CDBG) program. The CDBG program provides uniquely flexible resources for community development. This manual applies to all CDBG grants in areas of Public Services, Planning, CDBG Capital and Public Facilities/Improvements and other regularly funded CDBG activities as determined.

## **Statement of Objective**

The CDBG Program provides annual grants/loans from the Department of Housing and Urban Development (HUD) on a formula basis to entitlement cities. The primary objective of the CDBG program is to develop a viable urban community by providing decent housing and suitable living environment, and by expanding economic opportunities, principally for low-and-moderate-income (LMI) persons.

## **Funding Restrictions**

HUD places certain restrictions on the City's CDBG funding. A maximum of 15% of the appropriation can be spent on public services. Thus, no more than 15% of the grant will be distributed to eligible organizations for the purpose of providing public service programs that will address the very-low and low-income persons of Sheboygan.

No more than 20% of the appropriation can be spent on Administration/planning of respective staff to administer the block grant program. The yearly allocations shall include the maximum 20% amount of funds as an activity for that year.

## **Agency Eligibility**

The following agencies are eligible to apply for funding from the CDBG Program:

1. All non-profit, 501(c)(3), tax exempt agencies (administrative capacity must as part of the application process or by past-performance.)
2. Governmental Agencies
3. Neighborhood organizations – eligible only if they seek a non-profit 501 (c)(3) status.

Agencies must have a local board of directors or advisory board that governs the agency. The board must be of sufficient size to be representative of the diversity or the community served.

## **Criteria**

Applications shall be received by the Department of City Development for review to determine if the following criteria are met:

1. The agency has obtained a 501 (c)(3) status from the IRS. This does not apply if the agency is a governmental agency or for-profit/business that meets other application criteria.
2. The application must address a Local CDBG Funding Priority.

3. The application must propose a program or project listed as an eligible activity in HUD regulations at 24CFR 570.201-206.
4. The proposed activity must meet a National Objective of the CDBG program.
5. City staff and Strategic Fiscal Planning Committee may include additional selection and scoring criteria in each annual Request for Proposals (RFP).

### **Citizen Participation Plan**

The Citizen Participation Plan shall encourage citizen participation (especially by persons with lower income), provide citizens reasonable and timely access to the local meetings and information, provide technical assistance, provide for public hearings and provide a complaint procedure.

The City of Sheboygan, Citizen Participation Plan is available under Appendix A of this manual.

### **Local CDBG Funding Priorities**

Every five years the City will write a new Consolidated Plan for Housing and Community Development (Con-Plan) that will prioritize each eligible category as a high, medium, or low community need. The Con-Plan will also establish specific program objectives expressed in measurable units such as housing units or numbers of clients served. CDBG Funding priorities will be determined by the Strategic Fiscal Planning Committee. In years that the Con-Plan is written, input in the form of surveys, focus groups and/or community consultations will be sought per the CDBG Citizen Participation Plan. The annual RFP will specifically solicit proposals to address identified funding priorities and program objectives. See Appendix B of this manual for a copy of the example application and funding notice.

In years that a Con-Plan is developed, it will not be possible to identify all of the Housing and Community Development priorities, goals and objectives before the release of an RFP. Special attention will be given to program/recipients that meet the goals and report on the successes on a timely manner.

The following list of priorities is derived from CDBG eligible activities per 24 CFR 570.201-206.

#### **Housing Needs:** Elderly, Small Families, Large Families, Other

- |                                   |                             |
|-----------------------------------|-----------------------------|
| a. Homebuyer Assistance           | b. Single-Unit Rental Rehab |
| c. Multi-Unit Rental Rehab        | d. Multi-Unit Owner Rehab   |
| e. Energy Efficiency Improvements | f. Lead Based Paint/Hazards |
| g. Code Enforcement               | h. Other Housing Needs      |

#### **Homeless Needs:** Families, Individuals, and Persons with Special Needs

- |                       |                          |
|-----------------------|--------------------------|
| a. Counseling         | b. Day Centers           |
| c. Emergency Shelters | d. Transitional Shelters |
| e. Permanent Housing  |                          |

#### **Public Facility Needs:**

- |   |                      |
|---|----------------------|
| a. Senior Centers                       | b. Youth Centers     |
| c. Parks and/or recreational facilities | d. Health Facilities |

- e. Neighborhood Facilities
- g. Child Care Centers
- i. Other Public Facilities

- f. Parking Facilities
- h. Street Improvements

### **Non-residential Historic Preservation Needs**

**Economic Development Needs** (Follows the Policies and Procedures Manual for the Economic Development Revolving Loan Fund)

### **Public Service Needs – 15% Cap on Spending**

- |                               |                                   |
|-------------------------------|-----------------------------------|
| a. Senior Services            | b. Fair Housing/Tenant Counseling |
| c. Handicapped Services       | d. Child Care Services            |
| e. Youth Services             | f. Health Services                |
| g. Transportation Services    | h. Abused & Neglected Services    |
| i. Substance Abuse Services   | j. Mental Health Services         |
| k. Battered & Abused Services | l. Employment Training            |
| m. Crime Awareness            | n. Other Public Service Needs     |

### **National Objectives**

CDBG Program regulations require that any activity funded meet at least one of the program's three national objectives. A national objective is considered to be met if it can be determined and documented that the proposed program:

- A. **Provides direct benefit to low and moderate income persons** through the following:
  - a. *Area Benefit Activities*- an activity the benefit of which are available to all residents in a particular area, where at least 51% of whom of the residents are low and moderate income persons.
  - b. *Limited Clientele Activities*- an activity which benefits limited clients, at least 51% of whom are low and moderate income persons.
  - c. *Housing Activities*- an eligible activity carried out for the purpose of providing or improving permanent resident structures, which, upon completion, will be occupied by low and moderate income persons.
  - d. *Job creation*- an activity designed to create or retain permanent jobs where at least 51% of the jobs, computed on full-time equivalent basis, involve the employment of low and moderate income persons. This is outlined in the City of Sheboygan Economic Development Loan Program Policies and Procedures Manual.
- B. **Aids in the prevention or elimination of slum or blight** through the following:
  - a. *Activities on an area basis* – an activity will be considered to address slum and blight on an area basis if it: can be shown that the area meets the definition of slum and blight, and has a substantial number of deteriorating buildings, and the assisted activity addresses one or more of the conditions that contribute to the deterioration of the area.

- b. *Activities on a spot basis* – activities which eliminate specific conditions of blight or physical decay on a spot basis located in a slum and blighted area which meets this objective.
- C. **Is designated to meet community development needs having a particular urgency** and is designed to alleviate existing conditions which pose a serious and immediate threat to the health and welfare of the community, which are of recent origin or which recently became urgent. (In practice, this category is reserved for natural disasters and extraordinary circumstances.)

## Applications

1. Applications must address at least one CDBG eligible activity, per CFR 570.201-206 as described above. The City currently uses the 2000 U.S. Census low-to-moderate income neighborhoods for determining eligibility of low-to-moderate area (LMA) activities.
2. Proposed performance objectives: list proposed service goals and objectives. Objectives must be measurable, with outcome indicators that directly affect the problem that the service was designed to address, not simply a count of numbers served. Each proposed objective should have at least one measurable indicator.
3. Applications must include a detailed description of an agency's qualifications for managing the proposed program. There must be program staff that has experience managing a problem similar to that for which CDBG funds are being requested. There must also be experience on staff or on the board for providing financial management of grant funds as required by the City in its reporting to HUD.
4. An agency must show that preliminary commitments for leveraging funds are being obtained and that CDBG funds are not the sole source of funding for eligible activity.
5. Evaluation results or the success in meeting goals and objectives measures will be one of the key determinants when considering renewal of funding for the next CDBG funding cycle.

## Procedures

1. The City will make all possible efforts to insure that the community is aware of the availability and purpose of the Community Development Block Grant Program. In December/January, the City will post a "Notice of Funding Availability" in the local newspaper of record announcing the availability of funds through the CBDG program. A Request for Proposals (RFP) will be released soliciting proposals to provide selected services to be approved by the Common Council.
2. Staff will make adequate copies of the RFP/application packet for any agency that is interested in responding. A staff contact will be designated and applications will be mailed to an agency upon request.
3. Applications will only be accepted during the period of time advertised.
4. Deadlines, policies, and procedures, priorities, identified community needs and other pertinent information will be included in the RFP. Applications to the CDBG program shall be due at the due date.

5. The Strategic Fiscal Planning Committee will conduct a review of request during January/February. All proposals submitted will be receive a consistent review and discussion based on the criteria.
6. City staff will prepare a risk analysis of the applications received to determine who will be interviewed. Applicants have a higher risk rating will be scheduled for an interview session with the Strategic Fiscal Planning Committee. At this time, the organization representative(s) will briefly outline their proposed program and answer any questions that members of the Strategic Fiscal Planning Committee may have.
7. The Strategic Fiscal Planning Committee and the Department of City Development staff will jointly make final recommendations on funding allocations through a proposed CDBG budget which will be forwarded to the Common Council in January/February. The Annual Action Plan will be submitted to the public for comments in February.
8. No applications will be considered for funding after adoption of the CDBG budget unless a request is initiated by the Common Council and follows our Citizen Participation Plan.

### **Review Process**

The CDBG review process for applications regarding funding consists of a four phase cycle. First the Staff review, followed by a review by the Strategic Fiscal Planning Committee, then a review by the Common Council, and finally it is incorporated into the Annual Action Plan.

1. All CDBG Strategic Fiscal Planning Committee members will be provided full copies of the proposal for review. Committee members and staff are responsible for reviewing the applications to determine if they meet minimum criteria and requirements.
2. Staff will initially conduct an Eligibility Review of all applications. Under this review, staff will determine:
  - a. If the organization is a non-profit or has submitted application for a 501(c)(3) status with the IRS;
  - b. If the organization is qualified for-profit agency or business;
  - c. The program meets a national objective; and
  - d. The program addresses an eligible CDBG activity.

If the program meets all criteria (a-d), the proposal will be considered eligible for consideration of funding. Staff will provide the Committee a report of all eligible organizations as well as the ineligible organizations. A second review will be conducted on eligible programs to determine whether the program has clear goals and quantifiable objectives, sound financial and program management, and that the program has sufficient leveraging of funds. In reviewing applications, the Strategic Fiscal Committee and City staff may request additional information, make site visits, request a conference with the applicant or take other steps to assure a fair and equitable selection/award process.

3. An applicant interview for qualifying organizations will be scheduled with the Strategic Fiscal Planning Committee. The applicant will be requested to provide a brief overview of their

application. Members of the committee and staff may ask questions of the applicant at this time.

4. Following the interview process, members of the committee will meet to develop and finalize a proposed CDBG budget.
5. The final budget recommendations will be voted on by the Committee in an open meeting allowing citizen input and draft budget will be forwarded to the Common Council for approval. The budget and proposed activities will be incorporated into an Annual Action Plan and released for public input per the Citizen Participation Plan.

### **Criteria for Decision-Making**

Proposals will be critiqued in three areas: program, management, and finances. The staff comments accompanying the proposal will summarize the proposal in each of these areas, specify any staff questions or concerns in relation to the proposals, and summarize the comments from the Strategic Fiscal Planning Committee's review. This criterion should be used for public service activities as well as public facilities/neighborhood improvements eligible activities.

The following review criteria are used in final funding decisions made by the Common Council:

1. **PROGRAM** – consistency with CDBG guidelines, responsiveness to community needs as identified in the latest Consolidated Plan, documented need in Sheboygan, documented impact and effectiveness of program, clear objectives and measure of performance.
2. **MANAGEMENT** – capable and qualified staff, demonstrated administrative capacity, appropriate fiscal controls, and a knowledgeable and involved board.
3. **FINANCES** – overall-cost effectiveness of program, reasonableness of costs for services, need for CDBG funding, ability to leverage CDBG funding with other sources, efforts toward self-support, and plans for future funding.

The Common Council is responsible for making the final decisions regarding program funding. After HUD allocates funds, the City initiates contracts with each of the selected sub-recipients and the Common Council approves a transfer of appropriates in the current year budget to accept these funds and dedicates account numbers to each one of the tasks. If the approved funding level is different than the stated on the proposed budget, a revised budget is prepared and follows the Citizen Participation Plan requirements.

### **Contract Procedures**

Usually, by June/July of each year, the City receives its official CDBG allocation and a grant agreement between the City and HUD is finalized. As soon as this occurs, the City prepares a standard contract for each of the selected sub-recipients outlining the roles, responsibilities, and obligations of the City and the sub-recipient. Copies are forwarded to appropriate parties for signature. The Contracts are signed by the sub-recipient, the Mayor, the City Clerk and approved and signed by the City Attorney. Fully executed copies of the contract(s) are then referred to the sub-recipients for their files. See Appendix C for a draft copy of the agreement

## **Competitive Procurement**

Agencies that use CDBG funds to purchase goods or services, including consultant services and construction services, must select the vendor, consultant or construction firm based on a competitive process. Agencies shall take all necessary affirmative steps to assure that minority and women's business enterprises are used when possible.

## **Davis-Bacon Federal Labor Standards Provisions**

Capital projects that utilize CDBG funds for construction may be subject to Federal labor standards provisions including Davis-Bacon wage rates. These regulations require that construction contractors paid with CDBG funds pay a required wage that is typically higher than those paid for projects that are not federally assisted. To see examples of these wage rates, refer to [www.gpo.gov/davisbacon/](http://www.gpo.gov/davisbacon/). All construction work is covered even in instances where only a small portion of the work is actually paid for with CDBG funds.

## **Environmental Review**

On the date the CDBG application is submitted, the entire project is subject to the federal environmental review requirements of the National Environmental Policy Act (NEPA). These requirements are in addition to any local requirements that may be imposed under the State Environmental Policy Act (SEPA). Costs associated with NEPA review are the responsibility of the applicant, even if the NEPA review results in a determination that the project is not eligible for CDBG funding. Environmental review costs are eligible CDBG expenditures.

From the date the application is submitted for consideration until the date the NEPA review process is complete, no activity can take place on the project that may have an adverse environmental impact, or limit the choice of alternatives available on the site. This may include, but is not limited to, property acquisition, clearing, grading or other site preparation activities, construction activities or rehabilitation of existing structures. Taking any such action after the date a CDBG application is submitted will make the project ineligible for funding.

Applicants should note that projects with certain characteristics may require a consultant study as part of the environmental review procedures and should budget for them accordingly and allow additional time in the project milestones for completion. Such characteristics include, but are not limited to limited to:

- Project is within a Federal Emergency Management Agency (FEMA) 100-year floodplain
- Project is, or is eligible for, local, state, or federal historic or landmark registers
- Project is located within 3,000 feet of a toxic site or solid waste landfill
- Project has exposure to significant airport or highway noise or
- Project affects endangered species that are listed or proposed for listing under the Endangered Species Act (ESA).



You are encouraged to consult CDBG staff prior to submitting an application to determine whether your project will require a consultant study. A portion of the funds awarded will be used to procure any required studies. Consideration for this expense should be given in the preparation of the project budget.

Environmental review of projects must be completed prior to a CDBG contract being executed and prior to any work being undertaken at the site.

### **Insurance Requirements**

Agencies will be required to provide evidence of general liability and property insurance to the jurisdiction awarding funds, and Sheboygan County when applicable, as an additional insured and as a loss payee under their policy. Minimum coverage amounts and additional insurance requirements apply.

### **Lead-Based Paint**

Projects must comply with regulations regarding lead-based paint poisoning prevention. These requirements prohibit the use of lead-based paint and require elimination of immediate lead-based paint hazards in residential structures and notification of the hazards of lead-based paint poisoning to purchasers and tenants of residential structures constructed prior to 1978.

### **Local requirements**

A CDBG award in no way affects or influences local land use or building permit requirements or processes.

### **Reporting for Disbursement of Funds**

The City will provide an upfront payment or monthly/quarterly payments for the purposes and amount specified in the contract upon receipt of required documentation from the agency.

### **Monitoring**

At least once every two years, City staff conducts formal on-site monitoring. These visits are conducted more frequently if the sub-recipient is new or is having difficulty meeting program requirements. Program staff also review monthly and quarterly reports, and analyzes evaluation forms. HUD representatives may also make on-site visits as part of their monitoring visits to the City of Sheboygan. City staff may also make informal visits as needed.

### **Inadequate Performance and Non-compliance**

If a sub-grantee/sub-recipient or its CDBG funded activity is found to be in non-compliance with terms stipulated in the contract, funding may be withheld until compliance is achieved. In the event that compliance cannot be achieved, funding may be terminated. Additionally, funding may be withheld from

any agency which does not submit required reports in a timely manner. Disbursement will recommence with acceptable reporting procedures.

If program performance is found to be substantially inadequate for the stated objectives, the agency maybe required to submit a written explanation for the variance. Inadequate program performance may adversely affect future CDBG funding requests to the City.

An agency may appeal a decision to terminate funding based on information not available to the City at the time of the decision. An appeal must be submitted in writing with documentation included, which justifies or substantiates the appeal. City staff will review the appeal in conjunction with the City legal department. If appropriate, meetings will be arranged between the City and the agency to determine the most appropriate course of action.

### **Section 3**

Projects that are awarded \$200,000 or more in CDBG and/or other funds from HUD may be required to comply with Section 3 regulations at 24 CFR Part 135. These regulations require that a minimum of 30% of new positions generated as a result of the project be filled by low-and-moderate-income persons.

### **MBE/WBE Requirements**

The goal of the MBE/WBE Programs is to assure that minority business enterprises (MBE) and woman business enterprises (WBE) are given the opportunity to participate in contract and procurement for supplies, construction, equipment and services under the CDBG program. Prime Contractors working on federally funded projects shall ensure MBE/WBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and local Government recipients, this will include placing MBE/WBEs on solicitation lists and soliciting them whenever they are potential sources.

### **Equal Opportunity**

Sub-grantees with 25 or more employees shall track national origin and race of each of their employees and provide this information as part of the application process to the City.

### **Reporting for Disbursements of Funds**

Agencies are requested to submit their invoices and documentation following the reporting period.

Documentation should consist of any or all of these items:

1. Invoices and documentation of appropriate expenses for purposes outlined in the agency's application and contract:
  - a. Staff salary and benefits

- b. Copy of canceled payroll check
  - c. Copy of payroll
  - d. Copy of insurance bill
- 2. Quarterly reports are required to be completed for clients served by the CDBG program.

#### APPENDIX A

City of Sheboygan  
Community Development Block Grant Program

## Citizen Participation Plan

This Citizen Participation Plan (CPP) sets forth the City of Sheboygan's policies and procedures for citizen participation for the use of Community Development Block Grants (CDBG) funds. The Citizen Participation Plan provides an opportunity for the community to work in partnership with the City to identify needs and to allocate CDBG funds on a yearly basis.

While the CPP will aim to ensure participation of all residents, special assurances will be made to ensure participation of the following groups:

- Extremely low, low and moderate income persons;
- Minorities;
- Non-English speaking persons; and
- Persons with physical disabilities.

### **A. Citizen Participation Plan**

The City of Sheboygan recognizes that CDBG funds are tax money returned to the City to be used primarily to benefit low, low to moderate-income persons. The CPP seeks to involve the participation of citizens of Sheboygan and social service agencies in the development and adoption of the Consolidated Plan, the Annual Action Plan, any substantial amendments, any changes in the allocations of CDBG funding, and the Consolidated Annual Performance Evaluation Report (CAPER).

The City of Sheboygan's Finance Committee and Common Council are responsible for the oversight of the development of the HUD required plans. Should the members of the Finance Committee have conflicts of interest with approval of the CDBG allocations, the Strategic Fiscal Planning Committee shall make recommendations to the Common Council for approval on the yearly allocations. The local administration of the City's CDBG program is handled by the Department of Planning and Development.

The Finance Committee is composed of five (5) alderpersons, all appointed by the Mayor. The Strategic Fiscal Planning Committee is composed of five (5) alderpersons, and four (4) ex-officio members, all appointed by the Mayor. The Finance Committee meets regularly on the 2<sup>nd</sup> and 4<sup>th</sup> Mondays of each month and offers public input opportunities for citizens to comment on the CDBG activities. The Strategic Fiscal Planning Committee meets on an "on-call" basis.

## **B. Public Hearings**

Two public hearings are held each year prior to completion of the Annual Action Plan and the Consolidated Plan. The public hearings allow citizens to comment on the previous years' activities, as well as the next years objectives and program strategies. Notices of the public hearings are published in the Sheboygan Press at least two weeks prior to each hearing, posted on the City's website and various other media outlets.

Additionally, public notices are published whenever there are any plans, reports, substantial amendments, or changes in the level of CDBG funding for each activity that is funded in part through the CDBG program.

## **C. Comments & Complaints**

Citizens who wish to make written comments for consideration by the Finance Committee, the Strategic Fiscal Planning Committee, or the Common Council may do so by sending their comments to: Department of Planning and Development, City of Sheboygan, 807 Center Avenue, Sheboygan, WI 53081.

All written complaints shall be received by the Department of Planning and Development within 30 days of the action that gave rise to the complaint. The Department of Planning and Development shall respond, where applicable, within 15 days of the receipt of the complaint.

## **D. Consolidated Plan/Annual Action Plan Reports**

Limited printed copies of the Consolidated Plan and Annual Action Plan will be available to the public in the Department of Planning and Development, City of Sheboygan, 807 Center Avenue, Sheboygan, WI 53081. Electronic versions of the both reports will be available on the City's website at [www.ci.sheboygan.wi.us](http://www.ci.sheboygan.wi.us)

## **E. Amendments**

Prior to adding or deleting any proposed CDBG activity or increasing or decreasing the funding of an activity by 10% or more, a public hearing in accord with the process described in Item B shall be held. In addition, a press release regarding the public hearing and any proposed action to be taken will be sent to the local media. However, a hearing will not be required for activities funded by a revolving loan fund when the increase (or decrease) in funds is the result of more (or less) revenue than was originally projected.

## **F. Accessibility**

No person shall be excluded from participation in the City of Sheboygan's CBDG programs on the grounds of race, color, national origin, gender, sexual orientation, age, religious creed or disability. Persons with disabilities who need accommodations to attend meetings are encouraged to contact the noted department on the meeting notice at least twenty-four (24) hours before the meeting.

## **G. Additional Information**

Additional information regarding the City of Sheboygan's Community Development Block Grant Program can be obtained at the following:

City of Sheboygan  
Department of Planning and Development  
807 Center Avenue  
Sheboygan, WI 53081  
Phone: (920) 459-3377  
Fax: (920) 459-3919  
Email: [development@ci.sheboygan.wi.us](mailto:development@ci.sheboygan.wi.us)

PUBLISHED NOTICE - AD

December 6, 2011

Sheboygan Press  
Display Advertising Dept.  
Fax No. 457-7043

Please publish the following as display type ads on December 9, 2011

**NOTICE**

Any eligible organizations, that meet all criteria and guidelines and meet the low-to-moderate income requirements, are invited to apply for 2012/2013 Community Development Block Grant funds.

Applications are available on the City's website at <http://www.ci.sheboygan.wi.us/departments/planning-development/applications> or by email: [development@ci.sheboygan.wi.us](mailto:development@ci.sheboygan.wi.us).





**CITY OF SHEBOYGAN 2012 CDBG PROGRAM**

**REQUEST FOR PROPOSALS (RFP)**

**PUBLIC SERVICE ACTIVITIES**

FOR NON PROFIT ORGANIZATIONS AND GOVERNMENTAL AGENCIES

**For fiscal year:** April 1, 2012– March 31, 2013

THE PROPOSAL SUBMISSION **DEADLINE** IS:

*Wednesday, December 28, 2011  
4:30 P.M.*

**Important Note: Due to Federal Budget Cuts, funding through the Block Grant Program for 2012 may be limited and very competitive. Therefore, we are asking agencies to study their needs and determine a competitive grant request that leverages other funding sources.**

No proposals for the funding cycle will be considered after this date and time.  
Applications received after the deadline will be returned unopened.

The following RFP is for activities that qualify under as Public Service Activities. A detailed definition of eligible activities can be found later in this application.

**Proposals must provide evidence that the proposed program will primarily serve low and moderate income residents in the City of Sheboygan.**

If an organization is planning to request funding for more than one program, **each must be submitted separately.**

An emphasis will be made to fund programs that meet one or more of the three *national* objectives described below:

- Benefitting low- and moderate-income (LMI) persons, ie affordable housing, LMI jobs, LMI area benefit, etc.)
- Prevention/Elimination of Slums or Blight



- Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of our community.

As part of this application, the following items are **Mandatory** to be submitted:

1. Budget Information (current year and past year)
2. Written documentation regarding income verification process.
3. Most recent audited financial statement or audit report. Recipients of CDBG funds must provide an audited financial statement for the fiscal year in which the funds are received within 150 days of the end of the organization's fiscal year. Organizations with \$30,000 or less of annual expenditures/disbursements may provide a limited scope review. If any agency is not required to undertake an annual audit, reason(s) in writing must be clearly defined.
4. List of Board of Directors, including agency policy regarding Board membership and tenure of Directors.
5. By-Laws and/or Resolutions of the Board, including Restricted or Designated Funds.
6. Any other documentation that will assist in understanding and evaluating your Agency's request.
7. Please complete the Single Audit form attached to this application.

**Incomplete applications will be disqualified and late applications will not be reviewed. Please make sure all necessary items are included.**

Completed proposals should be mailed or hand-delivered to the following address:

City of Sheboygan  
Department of City Development  
828 Center Avenue, Suite 104  
Sheboygan, WI 53081

Questions concerning this RFP should be addressed to Chad Pelishek, Development Manager at the address above or call (920) 459-3383.

## GENERAL REQUIREMENTS

**The FY 2012-2013 Community Development Block Grant (CDBG) Program has not received notification of the yearly allocation. All funding allocations by the Committee will be contingent on the amount of allowable funding from HUD and may be subject to change. If approved allocation does change, the Department of Planning and Development will notify each public service agency in writing of the change.**

**As in the past, funding is estimated to be approximately \$127,000 for 2012-13. On average, we have been receiving requests for over \$350,000. Please take the recent approved allocation into account when you submit your application.**

A public service activity is defined as services (including labor, supplies and materials) which are directed toward improving community's public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, and homebuyer down-payment assistance.

**Proposals must provide evidence that the proposed program will primarily serve low and moderate-income City of Sheboygan residents.**

If the proposal does not meet one of the three National Objectives, or is determined to be ineligible under any of the CDBG regulations, the project will be considered for funding.

**You are encouraged to check with us before submitting your proposal to make sure it is an eligible activity.**

Applications which are approved for funding are subject to monitoring of files and records for the program year in which funding is received.

## FORMAT OF SUBMISSION:

Only **one** copy is needed. We will reproduce and bind all proposals in one packet for committee members, so submissions with loose pages held by a binder clip are required. **Please convert brochures, newspaper articles, audit reports and other non-standard size documents to 8 ½" x 11" size loose paper.**

**BASIC INFORMATION**

Name of organization: \_\_\_\_\_

Address: \_\_\_\_\_

Charitable Tax #: \_\_\_\_\_ Year founded: \_\_\_\_\_

Contact person: \_\_\_\_\_ Title: \_\_\_\_\_

Phone number: \_\_\_\_\_ Email: \_\_\_\_\_

Non-Profit Status (i.e., 501(c)(3): \_\_\_\_\_

**PROJECT INFORMATION**

Project title: \_\_\_\_\_

Grant requested: \$ \_\_\_\_\_

**PROJECT BUDGET**

Budget Item	Total grant expected from CDBG	Total match contribution		Total Budget
		Other Source	Amount	

**1. Project Description: (attach no more than 5 pages to this application).** Indicate whether this is a new program. Describe the program in depth of detail adequate to prevent any misunderstanding. However, excessive verbiage does not increase likelihood of funding.

**Important Note:**

In order to be eligible for funding, your project must benefit low and moderate-income (LMI) families and individuals. The U.S. Dept. of Housing and Urban Development defines LMI as an income below 80% of the median family income (May 2010) for the City of Sheboygan. The most recent estimates are:

<u>Family</u>	<u>80% Median Family Income</u>
1	\$37,550
2	42,990
3	48,250
4	53,600
5	57,900
6	62,200
7	66,500
8+	70,800

**2. YOUR ORGANIZATION**

Provide a brief description of your organization, its mission and goals, and key areas of activity. Include all services provided with numbers of recipients for past three years (summarized).

**3. STATEMENT OF SPECIFIC COMMUNITY NEED:**

**4. PROPOSED PROGRAM GOALS:**

**5. PROPOSED PROGRAM OUTCOME OBJECTIVE(S):**

6. **PROPOSED PROGRAM OUTCOME MEASURES (minimum of three):**
  - a)
  - b)
  - c)
7. **DESCRIBE HOW YOUR PROGRAM WILL MEET ONE OF THE THREE NATIONAL OBJECTIVES, (I.E. BENEFIT OF LMI PERSONS, PREVENTION/ELIMINATION OF BLIGHT/SLUM, OR MEETS OTHER COMMUNITY DEVELOPMENT NEEDS).**
8. **PLEASE DESCRIBE THE PROGRAM SERVICES INCLUDING HOURS OF OPERATION, IS THE SERVICE PROVIDED BY STAFF \_\_\_\_\_ VOLUNTEERS \_\_\_\_\_ OR BOTH \_\_\_\_\_.**
9. **PROGRAM PARTICIPATION:**
10. **PROGRAM STAFFING (Paid Staff and Volunteers) including how many of each, their titles and qualifications?**
11. **PROPOSED PROGRAM OUTCOMES/IMPACTS:**
  - a) **OUTCOME/IMPACT OF PROGRAM**
  - b) **COMMUNITY RESPONSIVENESS TO PROGRAM**
  - c) **ROLE/IMPORTANCE OF CITY OF SHEBOYGAN CDBG FUNDING**
  - d) **PLANNING FOR SUSTAINABILITY**
    - **Does the organization have financial stability goals?**
    - **If so, list them.**
    - **Does the annual income statement for each of the past three years show a surplus or a deficit?**
    - **If deficits have occurred what action has been taken?**

e) **RELATION TO OTHER PUBLIC OR PRIVATE PROGRAMS:**  
Describe how your program will relate to and coordinate with other programs underway or proposed for the City of Sheboygan. Indicate if there is a formal contractual linkage.

f) **DUPLICATION/OVERLAP OF SERVICES:** Indicate whether other organizations provide a similar program and how your program avoids duplication of services.

12. HUD requires that a public service activity must be either a new service, or a quantifiable increase in the level of a service above that which has been provided. Please address how the activity that you propose for 2012 meets this requirement.

13. Provide a detailed list of accomplishments from previously funded Block Grant activities, if applicable. NOTE: Each organization that is funded through the HUD monies will be required to provide quarterly monitoring reports to the City of Sheboygan Dept. of City Development indicating how your organization has met one or more of the three national objectives set forth by HUD and will be required to provide demographic data on the persons assisted.

14. Have you or any officers of your organization ever been involved in bankruptcy or insolvency proceedings?

Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please provide the details.

15. Are you or your organization involved in any pending lawsuits?

Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please provide the details.

15. Please indicate the census tracts/block groups that your programming will serve based on the attached map. \_\_\_\_\_

16. Please indicate whether your organization completes a single audit?

\_\_\_\_\_ Single Audit Not Required (Total Federal Expenditures less than \$500,000)

\_\_\_\_\_ Single Audit Required (Total Federal Expenditures more than \$500,000)

If a single audit is required, please indicate your total Federal expenditures in a calendar year. \_\_\_\_\_

**Certificate**

**I hereby certify that all the above statements and attachments submitted hereto are true and correct to the best of my knowledge and belief.**

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Print Name and Title**

## APPENDIX C

### AGREEMENT

#### BETWEEN THE CITY OF SHEBOYGAN AND PARTNERS FOR COMMUNITY DEVELOPMENT FOR CDBG FUNDS FOR 2012 PROGRAM YEAR

**THIS AGREEMENT** made and entered into by and between the City of Sheboygan, Wisconsin, hereinafter called the "**CITY**," and **PARTNERS FOR COMMUNITY DEVELOPMENT** a Wisconsin not for profit corporation, hereinafter called "**PARTNERS**."

#### WITNESSETH:

**WHEREAS**, the **CITY** has applied for, and received, a Community Development Block Grant for the 2012 program year, hereinafter called "**CDBG FUNDS**"; and

**WHEREAS**, the **CITY** is committed to job training, supporting services for minorities, fair housing and economic development/ the development and upgrade of housing and economic development in low and moderate income areas of the **CITY**; and

**WHEREAS**, **PARTNERS** submitted a proposal for **CDBG FUNDS** to be utilized to administer the first-time homebuyers program. The Request for Proposals (RFP) submitted by **PARTNERS** for this program year shall be the basis for the requirements that need to be followed in regards to this contract.

**WHEREAS**, the Common Council for the City of Sheboygan has allocated twenty two thousand five hundred and/100 (\$22,500.00) dollars of the 2012 **CDBG FUNDS** for **PARTNERS** to be used in accordance with the rules, regulations and objectives of the Community Development Program Grant.

**NOW, THEREFORE**, in consideration of the promises, covenants, agreements and payments herein mentioned, the **CITY** and **PARTNERS** mutually agree as follows:

#### ARTICLE I - GENERAL DESCRIPTION OF PROJECT

The project involves the Community Development objectives of eliminating conditions contributing to urban blight and the deterioration of health, safety and public welfare through increasing the availability of affordable housing to low and moderate income single households. Fifty-one percent (51%) of all services rendered shall be made to individuals, or families, that are low to moderate income.

#### ARTICLE II - SERVICES PROVIDED BY PARTNERS



1. **PARTNERS** shall provide the necessary personnel to carry out the terms of this Agreement.

2. The services of **PARTNERS** or its employee(s) shall be performed in accordance with the United States Department of Housing and Urban Development Handbook 1300.20 (Cost Principles for Non-Profit Organizations), and Office of Management and Budget Circular A-122.

3. **PARTNERS** shall be responsible for the hiring and firing of its employee(s) and their performance of any work in connection with this Agreement. This Agreement shall not abrogate **PARTNERS'** responsibility for keeping in full force and effect worker's compensation and any other insurances as required by federal, state or local law for such employee(s).

#### **ARTICLE III - NONDISCRIMINATION PROVISION**

The parties agree not to discriminate against any employees or applicant for employment because of age, race, religion, color, handicap, marital status, sex, physical conditions, disability, developmental disability as defined in §51.01(5), Stats., or national origin, ancestry, arrest record or conviction record subject to §§111.33 to 111.36, Stats. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The parties further agree to take affirmative action to ensure equal employment opportunities.

#### **ARTICLE IV - CONTRACT PERIOD**

This Agreement is entered into for a contract period of twelve (12) months beginning April 1, 2012 and ending March 31, 2013.

#### **ARTICLE V - COMPENSATION**

**PARTNERS** shall be compensated for actual monthly costs incurred. The Department of City Development may authorize, in writing, upon written request by **PARTNERS**, the use of HUD monies for other expenditures. The **CITY** agrees to compensate up to, but not exceeding, the total amount of twenty two thousand five hundred (\$22,500) dollars for the entire contract period.

#### **ARTICLE VI - REQUEST FOR PAYMENT**

**PARTNERS** shall submit a written request for payment to the Department of City Development on the first day of each month. The **CITY** agrees to make payment each month within fifteen (15) days of receipt of such request.

#### **ARTICLE VII - QUARTERLY REPORTS BY PARTNERS**

Any and all expenditures of monies received by **PARTNERS** pursuant to the terms of this Agreement shall be made for the purpose of performing services directly related to administering the first-time homebuyers program. **PARTNERS** shall provide the **CITY** with a written report of its expenditures, quarterly, on or before January 15, April 15, July 15 & October 15, and as necessary through the remainder of the year. Additionally, **PARTNERS** shall provide the **CITY** with a written report describing its accomplishments directly related to the services it is required to perform under this Agreement and shall submit such report to the **CITY**, quarterly, on the aforementioned dates. Such report shall show the number of low or moderate income individuals or families assisted and racial data. A form is attached to this agreement that should be provided quarterly to the Department of City Development that includes the required information. **Failure to submit these reports by the deadline may result in holding of your request for payment and/or will be used in the approval of the following years grant awards.**

#### **ARTICLE VIII - VERIFICATIONS OF EXPENDITURES**

The Finance Director/Treasurer of the **CITY** shall have access to all the books and records of **PARTNERS** pertaining to expenditures of monies for the purpose of verifying that such expenditures were for a public purpose inuring to the benefit of the public as provided herein.

#### **ARTICLE IX - WAIVER OF RELOCATION COSTS**

In the event this Agreement is amended, modified, terminated, canceled or not renewed, **PARTNERS** agrees and fully understands that it shall not be entitled to any relocation costs, assistance, or payments, any moving expenses, replacement facilities (in money or kind) or any expenses, costs or awards which are directly or indirectly related to such modifications or termination of this Agreement.

#### **ARTICLE X - MODIFICATIONS**

This Agreement may be modified or amended only in writing, signed by both parties.

#### **ARTICLE XI - ASSIGNMENT BY PARTNERS**

**PARTNERS** shall not assign, transfer, convey, pledge, sublet or otherwise dispose of this Agreement without the prior consent of the **CITY**, in writing.

#### **ARTICLE XII - FINAL PAYMENT ACCEPTANCE**

This acceptance by **PARTNERS** of any payment made under this Agreement, or of any final payment due on termination of this Agreement, shall constitute a full and complete release of the **CITY** from any and all claims, demands and causes of action whatsoever which **PARTNERS** may have against the **CITY** under the provisions of this Agreement.

#### **ARTICLE XIII - LIMITATION OF AUTHORITY**

**PARTNERS** shall have no power to solicit proposals, bids, or contracts on behalf of the **CITY**. Furthermore, **PARTNERS** shall have no authority to bind the **CITY** or act in the **CITY'S** behalf in any manner whatsoever. **PARTNERS** authority is hereby limited to those duties and responsibilities specifically enumerated herein.

#### **ARTICLE XIV - LIABILITY INSURANCE AND HOLD HARMLESS CLAUSE**

**PARTNERS** agrees to provide liability protection for its officers, employees and agents while acting within the scope of their employment. **PARTNERS** further agrees to hold harmless the **CITY**, its officers, agents and employees from any and all liability, including claims, demands, lawsuits, costs, damages and expenses of every kind and description (including death), or damages to persons or property arising out of or in connection with or occurring during the course of this Agreement where such liability is founded upon or grows out of the acts or omissions of any of the officers, employees or agents of **PARTNERS**.

**PARTNERS** shall provide the **CITY** with a certificate of insurance in an amount acceptable to the **CITY**. Such certificate of insurance shall be attached to the original executed Agreement.

#### **ARTICLE XV - CONFLICT OF INTEREST**

**PARTNERS** covenants and agrees that no officer or employee of the corporation has any interest, nor shall they acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the project or services to be provided herein. Further, the corporation covenants that in the performance of this Agreement it shall not employ any person having such interest.

#### **ARTICLE XVI - TERMINATION**

For breach or violation of any of the conditions of this Agreement, the **CITY** shall have the right to cancel, terminate or suspend this Agreement in whole or in part without liability,

giving notice in writing to the organization at its last-known post office address.

**IN WITNESS WHEREOF**, the City of Sheboygan has caused this instrument to be executed by Terry Van Akkeren, Mayor, and Susan Richards, City Clerk, this \_\_\_\_ day of \_\_\_\_\_, 2012.

**CITY OF SHEBOYGAN**

**BY:** \_\_\_\_\_  
Terry Van Akkeren  
Mayor

**ATTEST:** \_\_\_\_\_  
Susan Richards  
City Clerk

**IN WITNESS WHEREOF**, Partners for Community Development has caused this Agreement to be signed this \_\_\_\_ day of \_\_\_\_\_, 2012.

**PARTNERS' S HOMEBUYERS  
ASSISTANCE**

**BY:** \_\_\_\_\_

**ATTEST:** \_\_\_\_\_

Examined and Approved as to  
Form and Execution this \_\_\_\_\_  
day of \_\_\_\_\_, 2012

\_\_\_\_\_  
Stephen G. McLean  
City Attorney  
WI State Bar No. 01011662

This Agreement is authorized by and in accordance with Res.  
No. 131-11-12.